

## Message Text

LIMITED OFFICIAL USE

PAGE 01 SINGAP 00717 151002Z

12

ACTION EA-14

INFO OCT-01 ISO-00 EB-11 CIAE-00 DODE-00 INR-10 NSAE-00

PA-04 RSC-01 USIA-15 PRS-01 SPC-03 SAM\*-01 TRSE-00

COME-00 OMB-01 AID-20 SIL-01 DRC-01 /084 W

----- 042054

R 150920Z FEB 74

FM AMEMBASSY SINGAPORE

TO SECSTATE WASHDC 0092

INFO AMEMBASSY KUALA LUMPUR

AMEMBASSY JAKARTA

AMEMBASSY CANBERRA

AMEMBASSY MANILA

LIMITED OFFICIAL USE SINGAPORE 0717

JAKARTA OR CANBERRA FOR ASSISTANT SECRETARY INGERSOLL

E.O. 11652: N/A

TAGS: OVIP (INGERSOLL), PFOR, EGEN, SN

SUBJECT: ASSISTANT SECRETARY INGERSOLL'S VISIT TO SINGAPORE

1. DURING ONE-DAY VISIT TO SINGAPORE, ASSISTANT SECRETARY INGERSOLL HAD USEFUL DISCUSSIONS WITH PRIME MINISTER LEE AND FOREIGN MINISTER RAJARATNAM REPORTED SEPTELS. HE BREAKFASTED WITH AMERICAN BUSINESSMEN, TOURED JURONG INDUSTRIAL ESTATE, SINGAPORE HARBOR AND PORT FACILITIES, AND LUNCHEDED WITH POLITICAL SECRETARY TO PRIME MINISTER, DR. AUGUSTINE TAN, AND DEAN OF UNIVERSITY OF SINGAPORE LAW SCHOOL, TOMMY KOH. HE MET WITH EMBASSY STAFF BRIEFLY AT END OF A BUSY DAY.

2. BREAKFAST FOR ASSISTANT SECRETARY INGERSOLL WAS GIVEN BY CHAIRMAN OF NEWLY FORMED AMERICAN BUSINESS COUNCIL AND INCLUDED CROSS SECTION OF AMERICAN BUSINESS COMMUNITY. INGERSOLL CONGRATULATED BUSINESSMEN ON FORMATION OF ABC, CITED HIS EXPERIENCE IN TOKYO WITH  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SINGAP 00717 151002Z

AMERICAN CHAMBER, AND ENCOURAGED ABC TO WORK CLOSELY WITH

EMBASSY IN PROMOTING US BUSINESS INTERESTS IN SINGAPORE. IN RESPONSE TO QUESTIONS FROM THE ASSISTANT SECRETARY, BUSINESSMEN NOTED THAT THE INDUSTRIAL CLIMATE IN SINGAPORE WAS STILL GOOD, BUT THAT BECAUSE OF RISING COSTS AND SHORTAGE OF LABOR, THERE WAS NO LONGER ANY OPPORTUNITY FOR ESTABLISHMENT LABOR INTENSIVE INDUSTRIES.

3. SUBSEQUENT DISCUSSION CENTERED LARGELY ON INDONESIA, ESPECIALLY THE IMPACT OF RECENT JAKARTA RIOTS ON INDONESIAN INVESTMENT CLIMATE. ALTHOUGH BUSINESSMEN PRESENT DID NOT WISH TO FORECLOSE OPPORTUNITY OF TAPPING INDONESIA'S ENORMOUS POTENTIAL, THEY MENTIONED SIGNS OF INCREASING ANTI-FOREIGN SENTIMENT IN INDONESIA THAT BEAR CLOSE WATCHING. OPINION WAS EXPRESSED THAT RIOTS WERE DIRECTED AT GOI AND NOT JAPANESE. THE CONSENSUS WAS THAT RECENT EVENTS HAD HAD NO IMMEDIATE IMPACT ON FUTURE OF US INVESTMENT IN INDONESIA, BUT LONGER TERM IMPLICATIONS UNCLEAR.

4. BUSINESSMEN WERE INTERESTED IN IMPACT OF RISING OIL PRICES ON AID FROM DEVELOPED COUNTRIES TO LDCS. INGERSOLL POINTED OUT THAT TOTAL AID FROM DEVELOPED COUNTRIES WOULD ONLY MEET ONE-THIRD OF TOTAL INCREASE IN OIL PRICES FOR LDCS. HE HOPED DEVELOPED COUNTRIES WOULD MAINTAIN AID EFFORT, BUT SAW LITTLE PROSPECT FOR AN OVERALL INCREASE IN DEVELOPMENT AID. HE SAID OIL PRICES HAD TO BE MODERATED AND PORTION OF AID EFFORT HAD TO BE ASSUMED BY ARAB COUNTRIES.

5. AT AMBASSADOR'S LUNCHEON, DISCUSSION FOCUSED ON PROBLEMS POSED BY SERIOUS INFLATION IN SINGAPORE OVER PAST YEAR. DR. TAN ADMITTED WORKERS HAD SUFFERED A DIMINUTION IN THEIR REAL INCOME AND BELIEVED BEST SOLUTION WAS TO GIVE DISPROPORTIONATE INCREASE IN WAGES TO LOW INCOME WORKERS AT EXPENSE OF INCREASES FOR THOSE AT THE TOP OF THE SCALE. HE CITED RECENT WAGE COUNCIL RECOMMENDATION TO GIVE AN INCREASE OF \$25 A MONTH TO ALL WORKERS EARNING LESS THAN \$1,000. KOH WAS HIGHLY CRITICAL OF GOVERNMENT'S HANDLING OF RUN-DOWN AND INEFFICIENT PUBLIC TRANSPORTATION SYSTEM AND DISAGREED LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 SINGAP 00717 151002Z

WITH GOVERNMENT'S PHILOSOPHY THAT ALL PUBLIC SERVICES SHOULD PAY THEIR OWN WAY. THERE WAS GENERAL AGREEMENT THAT WORKER DISCONTENT WAS NOT YET SERIOUS BECAUSE OF GOVERNMENT'S EFFECTIVENESS IN CONVINCING PEOPLE THAT EXTERNAL FORCES WERE ALMOST TOTALLY RESPONSIBLE FOR INFLATION. KOH AGREED THAT UNIVERSITY STUDENT RESTLESSNESS WOULD NOT BE CONVERTED TO VIOLENCE UNLESS THERE IS MUCH GREATER SENSE OF DISCONTENT BY OTHER GROUPS IN

SOCIETY WHICH HAS NOT EMERGED AND IS CONSIDERED, AT LEAST  
IN SHORT TERM, HIGHLY UNLIKELY.  
CRONK

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN RELATIONS, PETROLEUM, TRADE PROMOTION, DIPLOMATIC DISCUSSIONS, PUBLIC ATTITUDES, PRICES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 FEB 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974SINGAP00717  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** SINGAPORE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740228/aaaabaql.tel  
**Line Count:** 118  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** morefirh  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 08 JUL 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <08 JUL 2002 by boyleja>; APPROVED <08 JUL 2002 by morefirh>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ASSISTANT SECRETARY INGERSOLL'S VISIT TO SINGAPORE  
**TAGS:** PFOR, US, SN, (INGERSOLL, ROBERT S)  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005